

**TDS RATES FROM 01.10.2009 & PROPOSED THRESHOLD LIMITS AS PER  
FINANCE ACT 2010**

Section Code	Nature of Payment	Threshold Limit to deduct tax from 01.10.2009	Proposed Threshold Limit to deduct tax from 01.07.2010	In case recipient is an Individual / HUF	If the recipient is other than Individual / HUF
194-A	Interest other than interest on securities (Interest from Banking Company)	Rs.10,000/- p.a.	No Change	10 %	20 %
194-A	Interest other than interest on securities (Interest other than from Banking Company)	Rs.5,000/- p.a.	No Change	10 %	20 %
194-C	Payment to Contractor	Rs.20,000/- Per Single Contract or Rs.50,000/- exceed during the financial year	Rs.30,000/- Per Single Contract or Rs.75,000/- exceed during the financial year	1 %	2 %
194-C	Payment to Advertising Contractor/ Sub Contractor	Rs.20,000/- Per Single Contract or Rs.50,000/- exceed during the financial year	Rs.30,000/- Per Single Contract or Rs.75,000/- exceed during the financial year	1 %	2 %
194-C	Payment to transport contractor/ sub contractor	If PAN Quoted	If PAN Quoted	NIL	NIL
194-C	Payment to transport contractor/ sub contractor	If PAN not quoted	If PAN not quoted	*1%	*2%
194-H	Payment of commission or brokerage to resident	Rs.2,500/- p.a.	Rs.5,000/- p.a	10%	10 %
194-I	Payment of Rent	Rs.1,20,000/- p.a.	Rs.1,80,000/- p.a	*10%	*10%
194-I	Payment of Rent for use of Plant, Machinery or Equipment	Rs.1,20,000/- p.a.	Rs.1,80,000/- p.a	*2%	*2%
194-J	Payment of professional or technical services	Rs.20,000/- p.a.	Rs.30,000/- p.a	10 %	10 %

Note :

- Surcharge, Education Cess is not applicable for Tax deducted from residents.
- Interest on TDS w.e.f 01.07.2010(Proposed)
  1. 1% for every month or part of a month on the amount of tax from the date on which tax was deductible to the date on which tax is deducted.
  2. 1.5% for every month or part of a month on the amount of tax from the date on which tax was deducted to the date on which tax is actually paid.
- \*20%, if PAN is not quoted by the deductee w.e.f. 01.04.2010

For more details: <http://www.taxguru.in/income-tax/post-budget-tds-tcs-rate-chart-and-provisions-applicable-from-01-10-2009.html>